

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**DIVISION BENCH**  
**COURT - 1**



ITEM No.9

IA/569(AHM)2021 in CP(IB) 563 of 2018

**Proceedings under Section 60(5) IBC,2016**

**IN THE MATTER OF:**

Reliance Capital Ltd

.....Applicant

V/s

Chandra Prakash Jain RP of E-Complex Pvt Ltd

.....Respondent

**Order delivered on: 18/10/2023**

**Coram:**

Mr. Shammi Khan, Hon'ble Member(J)

Mr. Kaushalendra Kumar Singh, Hon'ble Member(T)

**PRESENT:**

For the Applicant :

For the Respondent :

**ORDER**

The case is fixed for pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-SD-

**KAUSHALENDRA KUMAR SINGH**  
**MEMBER (TECHNICAL)**

-SD-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**

**BEFORE THE ADJUDICATING AUTHORITY**  
**NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD BENCH**

**COURT-1**

**IA/569(MP)2021**  
**in**

**[CP(IB)/563/9/AHM/2018]**

**IA/569(MP)2021**

*(An application under Sec. 60(5) of IBC, 2016 r.w. Rule 11 of the NCLT Rule, 2016)*

**Reliance Capital Ltd**

Trade World B Wing,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel,  
Mumbai-400 009.

**...Applicant**

**Versus**

**Mr. Chandra Prakash Jain**

Interim Resolution Professional of  
E-Complex Private Limited,  
D-501, Ganesh Meridian,  
Opp. Gujarat High Court,  
S.G. Road, Ahmedabad-380 060.

**.....Respondent No. 1**

**In the main matter of: [CP(IB)/563/9/AHM/2018]**

*(Under Section 9 of the Insolvency and Bankruptcy Code, 2016)*

**AP Securitas Private Limited,**

Building No. 10, DDA Commercial Complex,  
Nangal Raya, New Delhi-110 046.

**..... Operational Creditor**

**Versus**

**E-Complex Private Limited,**

Survey No. 658, Village: Rampara II,  
Taluka Rajula, Gujarat 363 560.

**..... Corporate Debtor**

**Order Pronounced On: 18.10.2023**



**Coram: Sammi Khan, Member (J)**  
**Kaushalendra Kumar Singh, Member (T)**

**Appearance:**

For Applicant : Mr. Saurabh Soparkar, Sr. Adv. a/w Mr. Monaal  
Davawala, Adv. Mr. Maulik Nanavati, Adv. (Sr. No. 117-118)

For Respondent: Ms. Hirva Dave, Adv. for Mr. Jaimin Dave, Adv.

For the CoC : Mr. Manish Bhatt, Sr. Adv. a.w.  
Mr. Yuvraj Thakore Adv.

For the RA : Mr. Rashesh Sanjanwala, Sr. Adv. a.w.  
Mr. Kunal Vaishnav Adv.

**ORDER**

1. The present application has been filed by the applicant **Reliance Capital Ltd** which is an **NBFC** and related party of the corporate debtor, against the rejection of its claim of financial debt amounting to Rs 82,70,85,616/- [principal Rs 57,00,00,000/- plus interest thereon] in entirety by the Resolution Professional of **E-Complex Pvt Ltd**.

2. The applicant submits that it had sanctioned a loan amounting Rs 57,00,00,000/- under an Inter Corporate Deposit Facility agreement dated 02.05.2017 and the said facility was repayable with interest in accordance with the terms and conditions mentioned in the said agreement. The applicant submits that they had filed claim on 18.02.2021, following the receipt of the letter dated 10.02.2021 of the resolution professional whereby RP had informed the applicant about the initiation of the Corporate Insolvency Resolution Professional ("**CIRP**") against the corporate debtor E-Complex Pvt Ltd *vide* order dated 09.12.2020 passed by the NCLAT Ahmedabad in Company Petition **CP(IB)563 of 2018**. The applicant further submits that the RP had sought certain clarifications which were replied to, however, the RP *vide* letter dated 03.07.2021 rejected the claim in its entirety; and that on being enquired as to on what ground the claim was rejected, the resolution professional *vide* another letter dated 15.07.2021 informed them that after sanctioned of the said ICD facility, the corporate debtor had transferred that amount to its group companies immediate after disbursement and for that



reason, the said resolution professional was not convinced of the genuineness of the transaction.

3. In the reply furnished by the RP, it is stated that following the initiation of CIRP of the corporate debtor *vide* Adjudicating Authorities order dated 09.12.2020 in CP(IB)563 of 2018, the RP had made a public announcement and had invited claims from various class of creditors of the corporate debtor. The RP submits that on 03.02.2021, he received an email from the suspended management of the corporate debtor that a notice for default had been received from the applicant for payment of an ICD of Rs 57,00,00,000/- along with interest; and that on receipt of said email, he issued a letter dated 10.02.2021 to the applicant stating that the corporate debtor is in CIRP and hence they need to submit their claim with the RP in accordance with the provisions of the court. The RP further submits that on 18.02.2021, he did receive the claim from the applicant amounting to Rs 82,70,85,616/- (principal amounting Rs 57,00,00,000/- plus interest @ 12.50% thereon); and there upon he sought the ICD agreement entered between both companies in order to verify the claim submitted by the applicant and the same was provided by the applicant. The RP further submits that in the context that he had also sought clarifications from suspended management calling for the details on some of the transfer entries immediately after receipt of the said amount of ICD of Rs 57,00,00,000/-. The table below reflects the transactions on which clarification was sought:

<b>2-May-17</b>	<b>Receipt</b>	<b>57,00,00,000.00</b>
2-May-17	Payment via chq no-362480	-55,00,00,057.50
3-May-17	Payment via chq no-362483	-1,50,00,057.00
5-May-17	Payment via chq no-066009	-10,00,057.00
9-May-17	Payment via chq no-066014	-25,00,000.00
24-May-17	Payment via chq no-066015	-7,00,057.50
24-May-17	Payment via chq no-066016	-5,00,028.75
	<b>Balance</b>	<b>2,99,741.25</b>



4. The RP further submits that as per the screenshots of accounting software as provided by the suspended management *vide* their email dated 02.07.2021, it was observed that immediately after the receipt of the ICD amounting Rs 57,00,00,000/- as on 2<sup>nd</sup> May, 2017, an amount of Rs 55,00,00,000/- were transferred to one of its group companies namely Reliance Housing Finance Ltd as on the same day and Rs 1,50,00,000/- to another of its group company REDSL on the next day. After examination of the transactions, the RP was of the view that receipt and transfer of the amount among the group companies were indeed nothing but a circular transaction involving rotation of money among the group companies under the guise of the ICD and in view thereof he rejected the claim of the applicant.

5. We have heard the learned counsel for both the sides and have also perused the relevant documents on record. It is noted that the RP has carried out due verification and sought the required clarification from the applicant as well as the suspended management. This is a case where circular transactions are noted among the group companies and in the facts of the case, we are of the view that the RP has taken a just view while rejecting the claim of the applicant. We, therefore, do not find any merit in the plea(s) taken by the applicant and therefore the various prayers as contained in Para 10 (A) and 10 (B) cannot be granted.

6. Accordingly, **IA/569 of 2021** stands **dismissed** and **disposed of**.

-SD-

**Kaushalendra Kumar Singh**  
**Member (Technical)**

R.Nahta/Stenographer

-SD-

**Shammi Khan**  
**Member (Judicial)**